

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
PERFORMANCE REPORT FOR APRIL 2002

6/5/2002

| | Assets as of April 30, 2002 | | | *RATES OF TOTAL RETURN | | | | | | |
|-----------------------------------|--------------------------------|-----------------|-----------------|--|---------------|--------|---------|--------|--------------|-----------------------|
| | EMV \$(000) | Actual Alloc | Policy Alloc | Month Ended (preliminary) Apr-02 | Quarter Ended | | | | 2002 FYTD | YR Ended 6/30/2001 |
| | | | | | Mar-02 | Dec-01 | Sep-01 | Jun-01 | | |
| LARGE CAP EQUITY | | | | | | | | | | |
| Structured Growth | | | | | | | | | | |
| Alliance Capital Management | 22,677 | 2.0% | 2.3% | -8.68% | -5.89% | 15.49% | -20.69% | 10.03% | -21.28% | -28.08% |
| RUSSELL 1000 GROWTH | | | | -8.16% | -2.59% | 15.14% | -19.41% | 8.42% | -16.99% | -36.18% |
| Structured Value | | | | | | | | | | |
| LSV | 29,851 | 2.6% | 2.3% | 0.47% | 9.28% | 8.73% | -8.79% | 8.10% | 8.89% | 28.93% |
| RUSSELL 1000 VALUE | | | | -3.43% | 4.09% | 7.37% | -10.95% | 4.88% | -3.89% | 3.84% |
| Enhanced S&P Index (1) | | | | | | | | | | |
| Northern Trust Global Investments | 48,064 | 4.2% | 4.5% | -5.91% | 0.48% | 10.54% | -14.35% | 5.69% | -10.49% | N/A |
| Strong Capital | 49,394 | 4.3% | 4.5% | -5.82% | 0.82% | 11.72% | -15.98% | 3.71% | -10.87% | N/A |
| Westridge Capital | 51,922 | 4.6% | 4.5% | -6.03% | 0.47% | 10.90% | -14.60% | 5.60% | -10.58% | N/A |
| Total Enhanced S&P Index | 149,380 | 13.1% | 13.5% | -5.92% | 0.59% | 11.05% | -14.96% | 5.02% | -10.63% | N/A |
| S&P 500 | | | | -6.06% | 0.28% | 10.69% | -14.68% | 5.85% | -11.03% | N/A |
| Enhanced Russell 1000 Index (1) | | | | | | | | | | |
| Los Angeles Capital (Wilshire) | 49,818 | 4.4% | 4.5% | -4.96% | 1.45% | 10.79% | -15.41% | 6.52% | -9.64% | N/A |
| RUSSELL 1000 | | | | -5.73% | 0.74% | 11.11% | -15.23% | 6.31% | -10.55% | N/A |
| S&P 500 Index | | | | | | | | | | |
| State Street - S&P 500 Index | 82,793 | 7.3% | 7.5% | -6.06% | 0.28% | 10.69% | -14.68% | 5.85% | -11.04% | -14.75% |
| S&P 500 | | | | -6.06% | 0.28% | 10.69% | -14.68% | 5.85% | -11.03% | -14.83% |
| TOTAL LARGE CAP EQUITY | 334,520 | 29.3% | 30.0% | -5.47% | 0.86% | 11.03% | -14.80% | 6.06% | -9.81% | -11.52% |
| S&P 500 | | | | -6.06% | 0.28% | 10.69% | -14.68% | 5.85% | -11.03% | -14.83% |
| SMALL CAP EQUITY (2) | | | | | | | | | | |
| SEI | 102,368 | 9.0% | 8.0% | -0.64% | 2.37% | 20.00% | -20.04% | N/A | -2.41% | N/A |
| RUSSELL 2000 + 200 bp | | | | 1.08% | 4.48% | 21.59% | -20.29% | 14.79% | 2.36% | N/A |
| TOTAL SMALL CAP EQUITY | 102,368 | 9.0% | 8.0% | -0.64% | 2.37% | 20.00% | -20.02% | -5.80% | -2.38% | 1.69% |
| RUSSELL 2000 | | | | 0.91% | 3.98% | 21.09% | -20.79% | 14.29% | 0.65% | 0.57% |
| INTERNATIONAL EQUITY | | | | | | | | | | |
| Int'l Large Cap - Core | | | | | | | | | | |
| State Street | 17,310 | 1.5% | 1.6% | -0.12% | 1.59% | 7.71% | -15.06% | 0.60% | -7.17% | -17.93% |
| MSCI 50% HEDGED EAFE INDEX | | | | -0.74% | 1.26% | 8.60% | -16.41% | 0.15% | -8.76% | -17.95% |
| Int'l Large Cap - Active | | | | | | | | | | |
| Capital Guardian | 46,787 | 4.1% | 4.0% | -0.66% | 0.92% | 12.46% | -17.26% | 0.85% | -6.71% | -20.14% |
| Bank of Ireland | 9,737 | 0.9% | 0.8% | 1.99% | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Int'l Large Cap - Active | 56,525 | 5.0% | 4.8% | -0.21% | 0.86% | 12.46% | -17.26% | 0.85% | -6.35% | -20.14% |
| MSCI 50% HEDGED EAFE INDEX | | | | -0.74% | 1.26% | 8.60% | -16.41% | 0.15% | -8.76% | -17.95% |
| Int'l Small Cap - Active | | | | | | | | | | |
| Lazard | 9,747 | 0.9% | 0.8% | 3.44% | N/A | N/A | N/A | N/A | N/A | N/A |
| Wellington | 9,406 | 0.8% | 0.8% | 4.32% | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Int'l Small Cap - Active | 19,152 | 1.7% | 1.6% | 3.87% | N/A | N/A | N/A | N/A | N/A | N/A |
| SSB Broad Market Index <\$2bn | | | | 2.80% | N/A | N/A | N/A | N/A | N/A | N/A |
| TOTAL INTERNATIONAL EQUITY | 92,987 | 8.2% | 8.0% | 0.62% | 0.66% | 10.06% | -16.14% | 0.72% | -6.52% | -18.81% |
| MSCI 50% HEDGED EAFE INDEX | | | | -0.74% | 1.26% | 8.60% | -16.41% | 0.15% | -8.76% | -17.95% |
| EMERGING MARKETS | | | | | | | | | | |
| Value - Active - Commingled | | | | | | | | | | |
| Capital Guardian | 60,391 | 5.3% | 5.0% | -0.02% | 10.64% | 29.87% | -24.96% | 6.98% | 7.80% | -29.31% |
| MSCI EMERGING MKTS FREE INDEX | | | | 0.65% | 11.41% | 26.60% | -21.60% | 3.90% | 11.30% | -25.93% |
| DOMESTIC FIXED INCOME | | | | | | | | | | |
| Core Bond | | | | | | | | | | |
| Western Asset | 57,316 | 5.0% | 4.5% | 2.64% | 0.42% | -0.15% | 4.75% | 1.37% | 7.81% | 13.40% |
| LB AGGREGATE | | | | 1.94% | 0.09% | 0.05% | 4.61% | 0.56% | 6.79% | 11.22% |
| Active Duration | | | | | | | | | | |
| Criterion | 55,956 | 4.9% | 4.5% | 1.51% | 0.42% | -0.76% | 3.28% | 0.67% | 4.48% | 12.34% |
| LB AGGREGATE | | | | 1.94% | 0.09% | 0.05% | 4.61% | 0.56% | 6.79% | 11.22% |
| Index | | | | | | | | | | |
| Bank of North Dakota | 60,888 | 5.3% | | 2.21% | -0.17% | -0.09% | 5.01% | 0.04% | 7.05% | 11.04% |
| BND (Match Loan Program) | 17,602 | 1.5% | | 0.46% | 1.37% | 1.45% | 1.43% | 1.45% | 4.79% | 5.89% |
| Total Bank of North Dakota | 78,490 | 6.9% | 7.0% | 1.74% | 1.14% | 0.24% | 4.19% | 0.37% | 7.46% | 9.79% |
| LB GOV/CORP | | | | 1.94% | -0.47% | 0.06% | 4.76% | 0.30% | 6.35% | 11.13% |

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| | | | | Apr-02 | Mar-02 | Dec-01 | Sep-01 | Jun-01 | | |
| Core | | | | | | | | | | |
| Strong Capital | 59,687 | 5.2% | 4.5% | 0.49% | -0.85% | 0.45% | 4.04% | 1.17% | 4.13% | 13.45% |
| LB BAA BOND INDEX | | | | 1.55% | -0.23% | 0.35% | 3.59% | 0.79% | 5.32% | 6.00% |
| Convertibles | | | | | | | | | | |
| TCW | 56,584 | 5.0% | 4.5% | -3.52% | -1.90% | 12.91% | -16.04% | 4.87% | -10.28% | -13.58% |
| 1ST BOSTON CONVERTIBLE INDEX | | | | -1.95% | -0.16% | 7.67% | -11.01% | 4.12% | -6.20% | -11.87% |
| Timberland | | | | | | | | | | |
| Evergreen (Wachovia) | 21,574 | 1.9% | 2.8% | 0.00% | 0.00% | 0.15% | N/A | N/A | N/A | N/A |
| TOTAL DOM FIXED INCOME | 329,607 | 28.9% | 28.0% | 0.59% | -0.27% | 2.09% | 0.42% | 1.55% | 2.85% | 6.87% |
| LB AGGREGATE | | | | 1.94% | 0.09% | 0.05% | 4.61% | 0.56% | 6.79% | 11.22% |
| HIGH YIELD BONDS | | | | | | | | | | |
| Western Asset | 61,424 | 5.4% | 5.0% | 1.35% | 0.53% | 5.75% | -4.41% | -1.75% | 2.99% | -4.46% |
| LB HIGH YIELD BOND INDEX | | | | 1.56% | 1.68% | 5.78% | -4.23% | -2.29% | 4.61% | -0.96% |
| INTERNATIONAL FIXED INCOME | | | | | | | | | | |
| Intl Core | | | | | | | | | | |
| UBS Global (Brinson) | 55,574 | 4.9% | 5.0% | 3.93% | -1.52% | -3.56% | 7.80% | -2.51% | 6.41% | -7.58% |
| SALOMON NON-US GOV'T BOND | | | | 3.95% | -1.87% | -3.97% | 7.75% | -1.97% | 5.55% | -7.43% |
| REAL ESTATE (3) | | | | | | | | | | |
| Heitman (JMB) | 1,027 | 0.1% | | 4.74% | 14.91% | -15.82% | 2.13% | 1.19% | 3.48% | 1.92% |
| Westmark (TCW) | 0 | 0.0% | | N/A | N/A | -10.72% | -4.64% | -8.63% | N/A | 25.25% |
| INVESCO | 33,302 | 2.9% | | 0.20% | 0.59% | 3.23% | 1.39% | 2.09% | 5.49% | 13.52% |
| J.P. Morgan | 28,315 | 2.5% | | 0.22% | 0.65% | 1.23% | 1.47% | 2.41% | 3.61% | 10.27% |
| TOTAL REAL ESTATE | 62,645 | 5.5% | 5.0% | 0.27% | 0.80% | 2.25% | 1.34% | 2.22% | 4.73% | 11.92% |
| NCREIF PROPERTY INDEX | | | | 0.55% | 1.67% | 1.58% | 1.75% | 2.26% | 5.67% | 11.15% |
| PRIVATE EQUITY (3) | | | | | | | | | | |
| Brinson IVCF II | 300 | 0.0% | | -0.65% | -1.94% | -11.17% | -18.72% | -1.37% | -29.65% | -32.28% |
| Coral Partners II | 338 | 0.0% | | 4.37% | 13.68% | -31.45% | -27.90% | 9.90% | -41.36% | -49.84% |
| Coral Partners V | 11,552 | 1.0% | | -3.28% | -9.51% | -11.30% | -34.09% | -1.35% | -48.84% | 19.29% |
| Coral Partners Supplemental V | 467 | 0.0% | | -0.98% | -2.91% | -0.92% | N/A | N/A | N/A | N/A |
| Brinson 1998 Partnership Fund | 2,180 | 0.2% | | -0.52% | -1.56% | -11.87% | -3.49% | -11.40% | -16.71% | -3.63% |
| Brinson 1999 Partnership Fund | 2,458 | 0.2% | | -1.78% | -5.24% | -11.39% | -1.32% | -7.40% | -18.62% | -4.36% |
| Brinson 2000 Partnership Fund | 2,945 | 0.3% | | -1.83% | -5.40% | -4.11% | -0.50% | -2.89% | -11.40% | 2.74% |
| Brinson 2001 Partnership Fund | 602 | 0.1% | | -0.19% | -0.58% | -1.75% | -0.12% | 1.13% | -2.63% | N/A |
| Brinson 2002 Partnership Fund | 133 | 0.0% | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Brinson 1999 Non-US Partnership Fund | 885 | 0.1% | | -1.17% | -3.46% | -0.95% | -1.98% | -3.16% | -7.36% | 2.24% |
| Brinson 2000 Non-US Partnership Fund | 651 | 0.1% | | -2.04% | -5.99% | 2.67% | -1.98% | -3.50% | -7.32% | -7.03% |
| Brinson 2001 Non-US Partnership Fund | 321 | 0.0% | | 0.22% | 0.66% | 0.66% | 0.66% | 0.66% | 2.22% | N/A |
| Brinson BVCF IV | 6,042 | 0.5% | | -3.45% | -9.99% | -3.90% | -11.21% | -3.31% | -25.84% | -11.46% |
| InvestAmerica Lewis & Clark Fund | 66 | 0.0% | | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Hearthstone | 2,836 | 0.2% | | 1.34% | 4.07% | 3.57% | 2.94% | 8.16% | 12.45% | 8.17% |
| TOTAL PRIVATE EQUITY | 31,775 | 2.8% | 5.0% | -2.07% | -6.07% | -7.28% | -16.22% | -2.20% | -28.55% | 2.62% |
| POST VENTURE CAPITAL INDEX | | | | -3.75% | -10.82% | 29.99% | -35.63% | 23.87% | -28.17% | -48.23% |
| CASH EQUIVALENTS | | | | | | | | | | |
| TNT Short Term Extendable Portfolio | 9,281 | 0.8% | 1.0% | 0.24% | 0.48% | 0.49% | 1.03% | 1.34% | 2.26% | 5.91% |
| 90 DAY T-BILLS | | | | 0.16% | 0.43% | 0.64% | 1.08% | 1.12% | 2.33% | 5.90% |
| TOTAL FUND | 1,140,574 | 100.0% | 100.0% | -1.29% | 0.77% | 7.27% | -8.66% | 3.68% | -2.54% | -4.12% |
| POLICY TARGET BENCHMARK | | | | -1.11% | 0.64% | 8.60% | -8.68% | 4.37% | -1.30% | -6.47% |
| TOTAL VALUE ADDED DUE TO | | | | | | | | | | |
| Asset Mix | | | | 0.11% | 0.29% | -0.81% | 1.15% | -0.33% | 0.73% | 2.01% |
| Active Management | | | | -0.29% | -0.15% | -0.42% | -1.12% | -0.33% | -1.97% | 0.49% |
| Total Value Added | | | | -0.18% | 0.13% | -1.23% | 0.03% | -0.66% | -1.24% | 2.50% |

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

***NOTE:**

Monthly returns and market values are preliminary and subject to change.
Returns are net of investment management fees.